

## Message Text

LIMITED OFFICIAL USE

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ACTION TRSE-00

INFO OCT-01 ARA-10 ISO-00 AID-05 IGA-02 SP-02 L-03

CIAE-00 INR-07 NSAE-00 SAB-02 /032 W

-----131028 152112Z /41

R 151440Z NOV 77

FM AMEMBASSY PANAMA

TO SECSTATE WASHDC 4518

LIMITED OFFICIAL USE PANAMA 8148

DEPT PASS TO TREASURY, DIRECTOR, INTERNATIONAL OPERATIONS  
DIVISION, L'ENFANT PLAZA

E.O. 11652: N/A

TAGS: EFIN, PN

SUBJECT: BANK EXAMINATIONS

REF: A) PANAMA 2854; B) PANAMA 2997; C) PANAMA 5739; D) PANAMA  
6887; E) STATE 186275

1. U.S. NATIONAL BANK EXAMINERS ON NOVEMBER 2 COMPLETED  
EXAMINATION MENTIONED REFS D) AND E). THIS EXAMINATION WAS TO  
HAVE BEEN CONDUCTED JOINTLY WITH PANAMANIAN BANK EXAMINERS AND  
DESIGNATED A TECHNICAL ASSISTANCE TRAINING PROGRAM. HOWEVER,  
AFTER JOINT EXAMINATION HAD BEGUN, PANAMANIAN PARTICIPATION  
HAD TO BE DROPPED BECAUSE OF ARTICLE 65, PRIVACY PROVISION  
OF PANAMANIAN BANKING LAW.

2. EMBOFF HAS DISCUSSED PROBLEM WITH EXECUTIVE DIRECTOR OF  
PANAMANIAN BANKING COMMISSION, ANTONIO DUDLEY, WHOSE CONCERN  
OVER THE NEED TO DEVELOP A REGULARIZED PROCEDURE WAS REPORTED  
IN REFS A), B) AND C). DUDLEY NEEDS A NEW CONTEXT, SUCH AS  
A "TECHNICAL ASSISTANCE" PROGRAM, INTO WHICH HE CAN PLACE THE  
U.S. BANK EXAMINATION PROCESS, SO AS TO ANSWER  
CRITICISMS OF HIS SPECIAL TREATMENT FOR AMERICANS AND  
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JUSTIFY HIS DENIAL OF LIKE TREATMENT TO BANK EXAMINERS  
FROM OTHER COUNTRIES. DUDLEY SAID THAT BETWEEN NOW AND  
YEAR-END HE WILL "REVIEW OUR STRUCTURE AND OUR LEGAL  
BASIS" AND THEN IN JANUARY OR FEBRUARY BEGIN AGAIN  
TO TRY TO GET A COMPREHENSIVE PROGRAM SET UP.

3. EMBASSY SUGGESTS THAT TREASURY DEPARTMENT OFFICIALS

BE PREPARED EARLY IN 1978 TO PARTICIPATE IN DISCUSSIONS  
WITH THE PANAMANIAN, PRESUMABLY IN PANAMA, LEADING TO  
THE ESTABLISHMENT OF MORE PERMANENT BANK EXAMINATION  
PROCEDURES FOR USE IN PANAMA AND RECOMMENDS AGAINST THE  
SCHEDULING OF ANY FUTURE BANK EXAMINATIONS HERE UNTIL  
AFTER SUCH PROCEDURES ARE ESTABLISHED. WE ARE  
AFRAID THAT THE WHOLE IDEA OF ALLOWING U.S.  
BANK EXAMINERS INTO PANAMA IS ON VERY THIN ICE AND STRESS  
THAT FULL COOPERATION AND SYMPATHY WITH THE PROBLEMS OF  
THE PANAMANIAN BANKING COMMISSION WILL BE NECESSARY TO GIVE  
THE EXAMINATION PROCESS ANY CHANCE OF SURVIVING IN THE  
FUTURE.  
JORDEN

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NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01-Jan-1994 12:00:00 am  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** BANKS, VISITS, AUDITS  
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**Disposition Approved on Date:**  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 22 May 2009  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
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**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
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**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
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**Reference:** 77 PANAMA 2854, 77 PANAMA 2997, 77 PANAMA 5739  
**Retention:** 0  
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**Review Markings:**  
Margaret P. Grafeld  
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